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AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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July 16, 2004

TO: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne B. Burke  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley   
Auditor-Controller

**SUBJECT: CATHOLIC CHARITIES OF LOS ANGELES CONTRACT REVIEW**

We have completed a contract compliance review of Catholic Charities of Los Angeles (CIU), a Refugee Immigrant Training and Employment Program (RITE) service provider. The review was conducted as part of the Auditor-Controller's Centralized Contract Monitoring Pilot Project.

**Background**

The Department of Community and Senior Services (DCSS) contracts with CIU, a private, non-profit, community-based organization, to provide Orientation processing of Greater Avenues for Independence (GAIN) referred participants and related case management services to all non-English/non-Spanish speaking persons receiving CalWORKs cash assistance from the Department of Public Social Services (DPSS). The types of services provided by CIU include Case Management services, scheduling and providing Orientation activities and RITE program eligibility processing via the Centralized Automated Participant Processing (CAPP) list. CIU's offices are located in each Supervisorial District.

DCSS pays CIU a fixed fee for each type of service based on budgeted program costs and anticipated service levels. For Fiscal Year 2002-03, DCSS paid CIU approximately \$890,000.

**Purpose/Methodology**

The purpose of the review was to determine whether CIU was providing the services outlined in their County contract. Our monitoring visit included a review of CIU's billing

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statements, participant case files, personnel and payroll records, and interviews with CIU staff, and program participants.

### **Results of Review**

Overall, CIU is providing the services outlined in its County contract. For the cases sampled, CIU assigned program participants to the RITE service providers, referred non-compliant participants to DPSS for compliance proceedings and scheduled and conducted Orientation sessions in a timely manner. In addition, CIU maintains the required documentation to support its billings to DCSS.

All three Case Managers currently possess the work experience required by DCSS' contract. However, one Case Manager did not possess the required work experience at the time he was hired approximately three years ago. The individual received a bachelor's degree in Social Sciences from a foreign university. However, CIU did not obtain an equivalency exam from the individual to verify that the individual's education qualified him for the position. CIU needs to ensure that staff possess the required education and/or work experience prior to being hired to perform case management in a GAIN environment.

### **Review of Report**

On July 15, 2004, we discussed our report with CIU, who agreed with the report's findings. CIU plans to submit a corrective action plan that addresses the one recommendation to DCSS within 30 days. We also notified DCSS of the results of our review.

We thank CIU for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1102.

JTM:DR:DC

Attachment

c: David E. Janssen, Chief Administrative Officer  
Department of Community and Senior Services  
Cynthia Banks, Chief Deputy Director  
Josie Marquez, Program Director  
Brenda Thomas, Director, Central Intake Unit, Catholic Charities of Los Angeles  
Violet Varona-Lukens, Executive Officer  
Public Information Office  
Audit Committee

**CENTRALIZED CONTRACT MONITORING PILOT PROJECT  
REFUGEE IMMIGRANT TRAINING AND EMPLOYMENT PROGRAM (RITE)  
FISCAL YEAR 2003-04  
CATHOLIC CHARITIES OF LOS ANGELES**

**BILLED SERVICES/PARTICIPANT VERIFICATION**

**Objective**

Determine whether Catholic Charities of Los Angeles (CIU), accurately billed the Department of Community and Senior Services (DCSS) for valid and authorized contract services.

**Verification**

We selected a sample of 29 program participants for which CIU billed Orientation services, 10 program participants for which CIU billed Case Management services and 50 program participants that CIU billed for verifying their program eligibility. The outcomes represent \$2,510 (1%) of the \$213,074 that CIU billed the County for March and April 2004.

In addition, we interviewed 18 participants that received Orientation services and 7 participants that received Case Management services to confirm the services that CIU reported were actually provided.

**Results**

According to the County contract, CIU is compensated for scheduling participants for Orientation regardless of whether the participants attend the scheduled session. All 29 program participants sampled that CIU billed DCSS for Orientation Services were scheduled for Orientation during the months billed.

According to the contract, CIU is also compensated for Case Management services that include tracking and processing non-compliant participants and ensuring that they are referred to the Department of Public Social Services (DPSS) for non-compliance proceedings. CIU maintained all the required documentation in the participants' case files sampled to confirm that the Case Management services were provided.

According to the contract, CIU is compensated for validating the program eligibility of the individuals listed on the Centralized Automated Participant Processing (CAPP) report that is provided to them by DPSS. The individuals that are eligible for program services are referred to the appropriate RITE contractors and are scheduled to attend an Orientation session. The individuals that are not eligible are referred back to DPSS. For the 50 participants sampled, CIU accurately determined their eligibility and appropriately notified DPSS of the participants that were not eligible.

**Recommendations**

There are no recommendations in this section.

**STAFFING QUALIFICATIONS****Objective**

Determine whether CIU's staff meets the qualifications required by the County contract.

**Verification**

We interviewed CIU's staff and reviewed their personnel files for documentation to confirm their qualifications. The contract requires that Case Managers either possess a four-year college degree, an AA degree and two years of caseload experience, an AA degree and two years of employment counseling experience, or two years of employment counseling experience in a GAIN environment. Achievement of Junior class standing in an accredited college may be substituted for an AA degree provided other training or experience requirements are met.

**Results**

All three of CIU's Case Managers currently possess the work experience required by DCSS' contract. The Case Managers average between three to four years experience providing services in a GAIN environment. However, one Case Manager did not possess the required work experience at the time he was hired approximately three years ago. The individual received a four year degree in Social Sciences from a foreign university. However, CIU did not obtain an equivalency exam from the individual to verify that the individual qualified for the position. CIU needs to ensure that staff possess the required education and/or work experience prior to being hired to perform case management in a GAIN environment.

**Recommendation**

1. **CIU management ensure that the staff possess the required work experience prior to being hired to perform case management in a GAIN environment.**

**SERVICE LEVELS****Objectives**

Determine whether CIU's reported services for Fiscal Year (FY) 2003-04 significantly varied from planned services levels.

**Verification**

Review DCSS' Annual Service Level Assessment report for FY 2003-04 and CIU's proposed services levels for the same period.

**Results**

We attempted to review CIU's ability to achieve planned service levels. However, DCSS could not provide us with the projected service levels used to allocate funding to CIU. In the future, DCSS needs to maintain the documentation used to establish the planned service levels of their program contractors.

**Recommendations**

**There are no recommendations in this section.**